GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3083
ANSWERED ON:08.12.2000
NS ON AGRICULTURE IN WTO
VUKKALA RAJESWARAMMA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Australia and some other countries have sought India`s support in on joining negotiations on Agriculture in World Trade Organisation (WTO) to ensure liberalisation of world trade in agriculture;

(b) if so, the details thereof;

(c) the response of the Government in that regard;

(d) whether India stands to benefit from World Trade liberalisation agreement under WTO; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) to (c) : During the mandated negotiations under the WTO Agreement on Agriculture several countries/group of countries have submitted their negotiating proposals. Australia is a member of CAIRNS Group which has submitted proposals on `Export Competition`, `Domestic Support` and `Market Access` in the WTO. India in its interventions in the Committee on Agriculture in WTO, has supported the broad thrust of these proposals while emphasising that sufficient flexibility should be made available to large agrarian developing countries to take care of their food security and livelihood concerns. India has also co-sponsored a proposal on `Market Access` along with 11 other developing countries highlighting the trade distortions prevalent in international markets and the consequent hindrance to the exports from the developing countries. It has been proposed that developed countries should effect substantial reductions in their tariffs, eliminate tariff peaks and tariff escalations, make the administration of Tariff Rate Quotas transparent and equitable, substantially reduce trade distorting domestic support and eliminate export subsidies. It has also been suggested that dumping must be prohibited and that the provisions of the Sanitary and Phytosanitary Measures Agreement which inhibit the ability of the developing countries to export agricultural products should be suitably addressed. In all 19 proposals have been submitted till the last Special Session of the Committee on Agriculture in WTO. At bilateral level some of the important countries which have canvassed for Indian support for their proposals in WTO include Australia, EU, Japan and Norway.

(d) & (e) : WTO has provided a rule based predictable multilateral trading system providing for Most Favoured Nation treatment to all the member countries and has an effective dispute settlement mechanism. The multilateral trading system under the WTO protects the developing countries from unreasonable bilateral pressures. In the WTO, during the mandated negotiations under the Agreement on Agriculture, India proposes to seek enhanced market access opportunities by demanding a substantial reduction in the tariffs, elimination of export subsidies and substantial reduction in domestic support by the developed countries while demanding sufficient flexibility under the Agreement on Agriculture to take care of its food security and livelihood concerns.